Approved For Release 2006/08/21 : CIA-RDP01-01773R000300040002-6

budgetney process

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reserve funds for Release 2006/08/21 : CIA-RDP01-01773R000300040002-6

SECRET

(chief, Budget Division, CIA) Memo for the Record, 21 Mar 1955

during presentation of CIA budget before members of House Appropriations Comm:

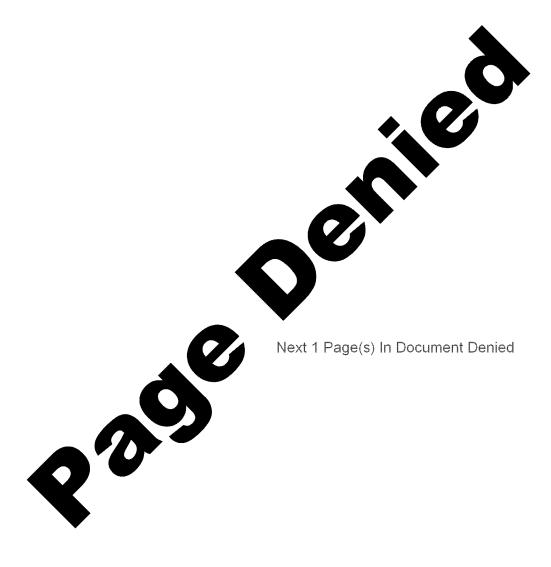
Rep. Wigglesworth observed that no substatntial amts had been drawn from reserve in past 3 yrs. Could the reserve be substantially reduced w/out danger. Why couldn't CIA come back for supplemental funds if more were needed, rather than carry this reserve?

Rep. Cannon rose to defend idea of reserve. He siad that CIA needed the reserve "in a manner similar to the authrotity to fight forest fires which the U.S. Forest Service has. He obersved that the Foret Service couldn't delay fighting a forest fire pending action on a request for funds but had to immediately and effectively fight the fire as soon as it was discovered."

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4 Dec 1953 -- Sprankle, on staff of House Appro Comm, has discussed w/ chairman Taber the possibility of a comm. member spending some time at CIA to study its activities and budget. Taber has vetoed the idea on the basis that it would take a wek to ten days and that no congressman presently had the time to give such a project. He has reached no decision as to how best to handle the budget briefings.



25 April 1951

in accordance w/ past practic, have informed George Harvey, chief clerk of House Appro Comm, of the total amt. of CIA budget and where the lump sum is located No further action will be necessary the House Appro Comm requests a hearing before the 3-man subcomm which has handled our budget in the past.

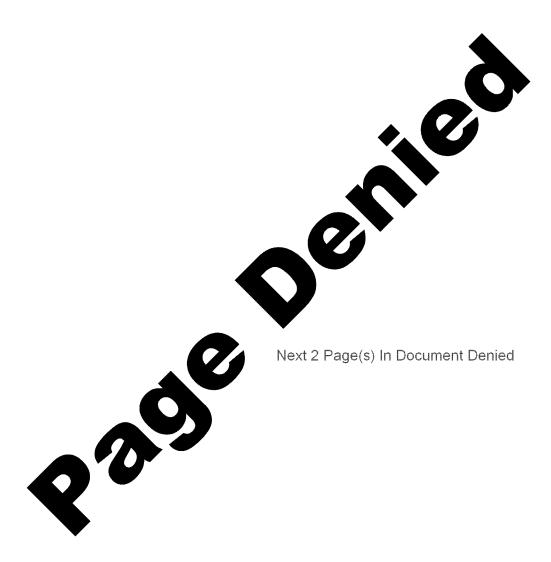
Mr. Harvey stated that we were to answer no Qs abt our budget from members of his staff or anyone other than hemself or the Chairman, and he has instructed his staff that all Qs should be directed to me.

Fig. 52 1 June 1951 - DC/ teatified on buyet before Home appear subcome composed of Congression Cannon, Makon, + Tabor.

OLC Journal, 28 June 1957

Rep. Cannon has difficulty up his Howen collegenes on thoroughness of budget scrunting a would like written record of hearings.

IN Gu. '53 - Home appro. Subcom. had brilget having a CIA belget. Present were 5 congression I Taker, Cannon, Scrieber, Mahn, Wagglesworth], 3 steffers, & a stanographer



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in 1965, House Appro Subcomm examined Agency budtet "in considerably more detail than in the past."
2 subcomm. members then visited Agency and over a 2-day period reviewed the CIA's budgetary program and fiscal procedures.
"We welcome this type of close contact and scrutiny of the Agency's fiscal activities. It is our conviction that the more informed these and other responsible members of the Cong become, the more impressed they become w/ the professionalism of our people and the competence of our organization " [this are responsible members of the 25x1]



974

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General Accounting Office, Congress' legal and accounting

in 1961, GAO concluded that under existing CIA-imposed security restricts, it could not perform useful audits; since then it has not reviewed the CIA.

GAO provided the mechanism thru whaich Cong normally audits the executive agencies. the intell. subcomms did not have the capacity to audit a budget as large as the CIA's, while GAO established precisely to perform such tasks. by restricting GAO, CIA effectively forecloses legis. auditing.

pp. 518-19

for some yrs after 1949, GAO at the DCI's request, did make on-site audits, just as it had done for CIG. But these audits were limited; GAO referred questionable payments to CIA Comptroller's Office for examination and made no audit whatever of unvouchered expenditures.

DCI appeared before apporpriate cong. comm. w/ budget requests for coming yr broken down into general functional categoreis. Certification by subcomm. chairmen constituted approval. No	
era appropriations 29	§¥1
in accordance w/ 1949 act, DCI has only to certify that that the money as appropriated has been spentdoes not have to	



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during his 1973 confirmation hearings, Colby admitted that disclosure of total CIA budget figure would not create a security prob, he added that such disclosure might stimulate requests for additional details, which could lead to security probs.

p. 171

House members of the Armed Services subcomm for CIA have complained in the past that they have not been permitted acces to CIA's budget figures. Only beginning in 1975 was the entire subcomm. allowed to participate in CIA budget hearings.

p. 169

in 1973, SEn. Wm Proxmire proposed legislation required CIA to disclose its annual budget -- but Senate defeated this

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w/out adequate cong. supervision of budget, no way to determine whether costly duplication occurring. Sen. Symington has complained that intell. units of CIA, DOD, and the mil. services have often duplicated efforts in intell. collection

